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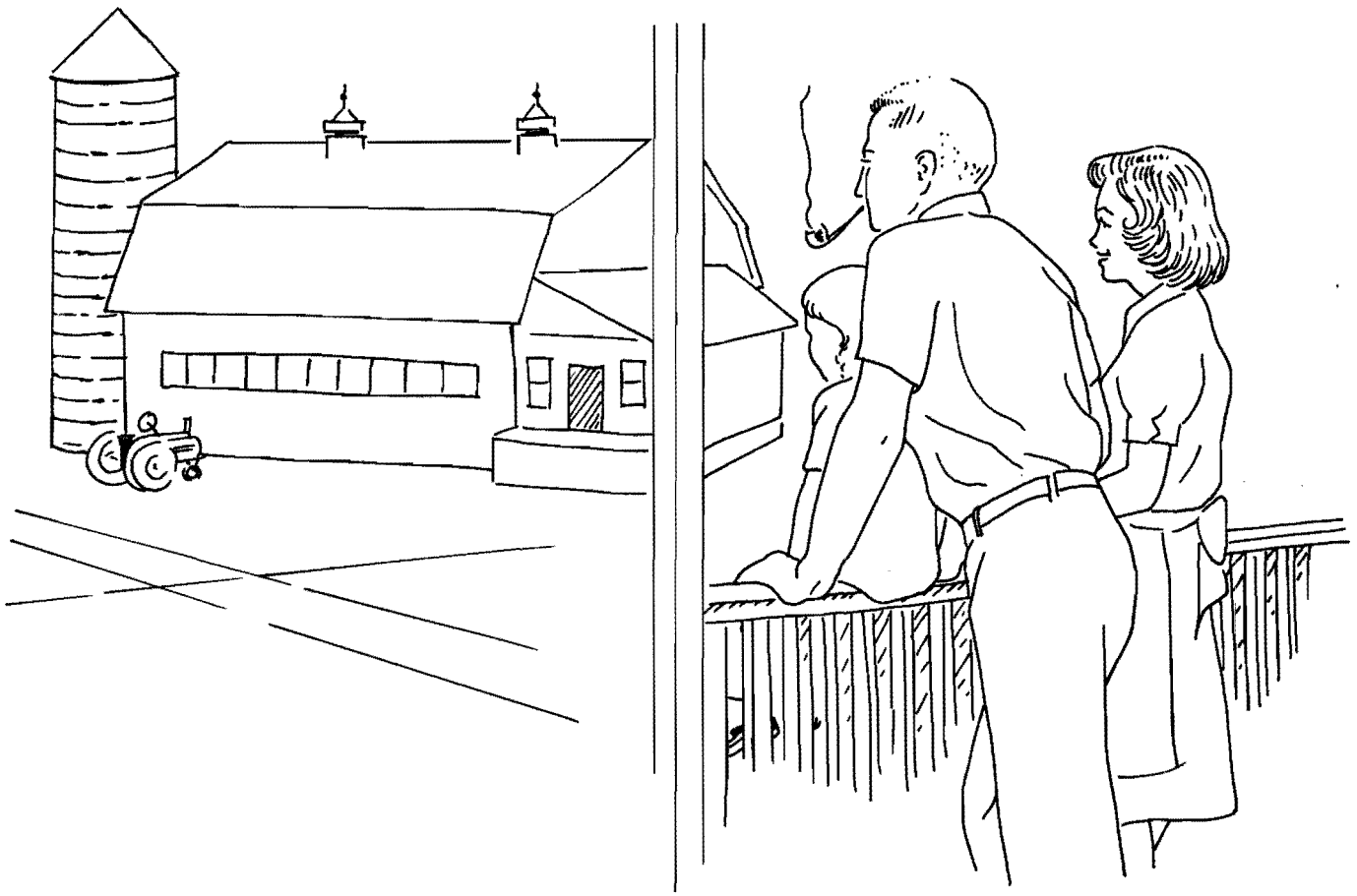
SUMMARY AND ANALYSIS OF 1961 DAIRY FARM BUSINESSES



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ACKNOWLEDGEMENT

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In 1961, farmers in 38 New York counties cooperated in Farm Business Management Projects. These projects were sponsored jointly by the County Agricultural Extension Services and the Department of Agricultural Economics at Cornell.

Part of the purpose of these projects is to teach farmers to keep better records. A more important purpose is to teach the farmers how to analyze these records and use them as a basis for improving the farm business. In total, the aim is to help farmers improve their management ability to enable them to compete in today's commercial agriculture.

Each farm family whose record is included in this summary took a farm inventory at the beginning and end of 1961. During the year they recorded receipts and expenses and certain other information such as crop acreages and yields. At the end of the year, each record was checked by a county agricultural agent or farm management specialist. Farm business summaries were prepared for the cooperating group of farmers in each county.

The averages presented here do not represent the average for all the dairy farms in the state. Enrollment by the farmers is voluntary. As a group, the farmers are somewhat better than the average dairy farmers in the state.

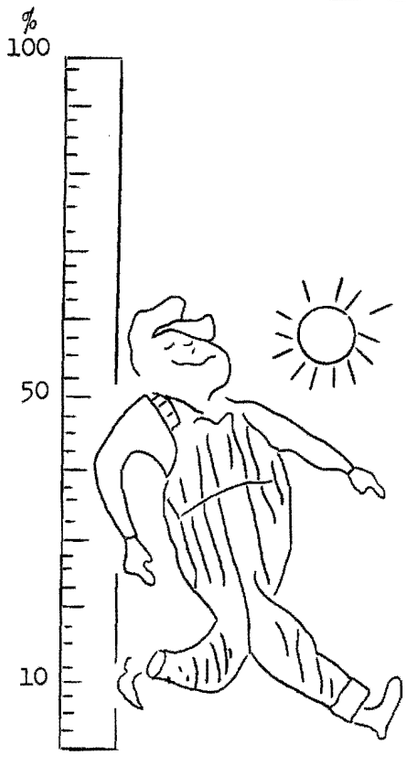
The records from 24 counties were summarized and analyzed at Cornell. In the other 14 counties, the farmers summarized their own records but these were analyzed and the summary reports prepared at Cornell. A total of 1,057 records were summarized from farms that had dairy herds. The 633 records from the 24 counties summarized at Cornell have been combined into a general summary for special analysis.

These 633 farms all had commercial dairy herds. On many farms there were other enterprises in addition to dairy. Farms with large receipts from either egg, fruit, or cash crop sales, rented farms and farms with large amounts of non-farm income were separated from the specialized dairy farms. The number of farms in each group was: 490 dairy; 25 dairy-poultry; 19 dairy-fruit; 49 dairy-cash crops; 17 dairy-renters; 26 part-time dairy farms, and 7 unusual farms. Many of the farmers in the part-time group had large farm businesses but on each there was a large amount of off-farm work and income.

The individual farm records are confidential. The averages are widely used by extension workers, vocational agriculture teachers, and others interested in agriculture. This summary has been prepared primarily for their use. The farmers in each county farm management group have already received copies of their county summary. However, these and other farmers may have use for this summary. Blank spaces have been provided to allow filling in of individual farm figures.

This publication has been divided into four major sections. The first section is a summary of the farm business on 490 dairy farms. Part II consists of an analysis of some of the factors affecting incomes and an examination of the relationship between these factors and labor incomes. Part III is a compilation of supplementary data gathered from the farm business records in the 38 counties. Part IV provides a place for farmers to summarize the business analysis, review their goals and objectives, and do some budgeting for the future.

HOW DO YOU MEASURE UP AS A MANAGER?



1. Have you developed a "management procedure"?

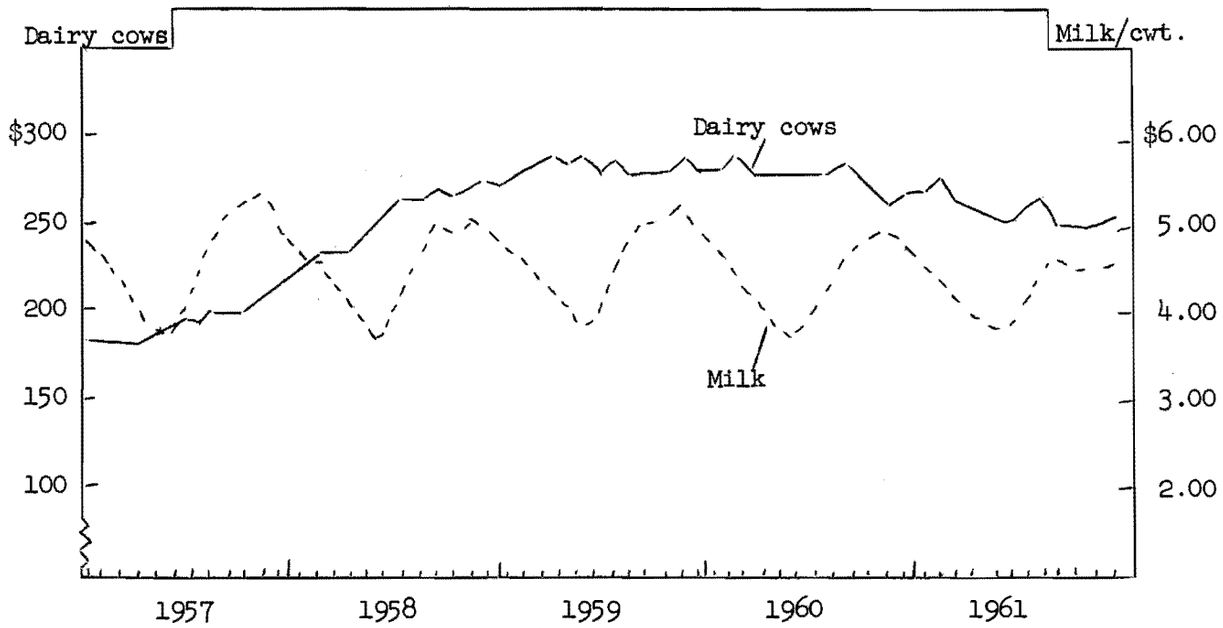
2. Do you have the economic facts needed for making management decisions?

Steps in making a management decision:

1. Locate the trouble spot (problem)
2. Review your objective (goal)
3. Size up what you have to work with (resources)
4. Look for various ways to solve the problem (alternatives)
5. Consider probable results of each way (consequences)
6. Compare the expected results (evaluate)
7. Select way best suited to your situation (decision)
8. Put the decision into operation (action)

Good decisions are the crux of sound management!

NEW YORK FARM PRICES OF COWS AND MILK, 1957-1961



Source: Current Economic Situation

Prices are one of several important factors affecting farm incomes. When studying farm incomes for any period, we must consider the price situation. This includes both prices received and prices paid. The general level of farm incomes is determined by the relationship of prices received and prices paid by farmers.

The blended farm price for milk in 1961 averaged $4.30 which was 13¢ below the average for 1960 and 28¢ below 1959. The 1961 milk price was 13¢ below the average price for the ten-year period 1951-60. Dairy cow prices which started to weaken the latter part of 1960 continued to drift downward in 1961. The average price per head in 1961 was down about $25 from 1959. The index of prices paid by dairy farmers, which had increased each year since 1954, remained stable in 1961.

AVERAGE YEARLY PRICES RECEIVED AND PAID BY N.Y. FARMERS, 1952-61

Year	Milk (cwt.)	Dairy cows (head)	Prices paid by N.Y. dairy farms (1910-14=100)	Year	Milk (cwt.)	Dairy cows (head)	Prices paid by N.Y. dairy farms (1910-14=100)
1952	$4.76	$300	350	1957	$4.58	$196	363
1953	4.34	209	346	1958	4.55	255	376
1954	4.11	176	343	1959	4.58	284	387
1955	4.09	174	346	1960	4.43	278	394
1956	4.20	180	352	1961	4.30	260	394

PART I SUMMARY OF THE FARM BUSINESS

RESOURCES

The 490 dairy farms included in this summary (farms on which dairy was the only major source of income) were scattered throughout the 24 counties. There was considerable variation in the size and combination of crop enterprises on these farms. The "resources" or things to work with are reported below:

THINGS TO WORK WITH
490 New York Dairy Farms, 1961

Item	Number reporting	Average*	Range Low	Range High
Labor:				
Man equivalent (No. men)		1.8	1.0	7.5
Operator only	(26 farms)			
Hired man 12 or more months	(90 farms)			
Hired help part of year	(306 farms)			
Unpaid family labor	(269 farms)			
Partnerships	(47 farms)			
Livestock: (Number)				
Cows		38	12	183
Heifers		23	0	128
Hens	(29 farms)	60	15	165
Crops: (acres grown)				
Hay	(485 farms)	66	5	233
Grass silage	(138 farms)	17	1	72
Corn for silage	(369 farms)	15	1	83
Corn for grain	(124 farms)	10	1	38
Oats	(278 farms)	17	1	55
Total acres in crops		99	10	460

*Average for farms reporting

These were "family farms." The farm operator and members of the family made up most of the labor force.

Crops and livestock other than those listed above were grown on a few of the farms. Only the most common are shown above.

CAPITAL INVESTMENT

"It takes money to make money in a farm business." This money we call "capital investment." In this report, the farm inventory at the end of the year is used as a measure of capital investment.

FARM INVENTORY VALUES, JANUARY 1, 1962
490 New York Dairy Farms

Item	Amount per farm		Amount per cow	
	Average per farm	Your farm	Average per farm	Your farm
Machinery and equipment	$11,062	$_____	$ 291	$_____
Cattle	14,263	_____	375	_____
Feed and supplies, other	3,961	_____	104	_____
Land and buildings	25,827	_____	680	_____
TOTAL INVESTMENT	$55,113	$_____	$1,450	$_____

Total investment on these dairy farms averaged about $55,000 per farm. The average investment per man on these farms was $30,618. This is about double the capital investment per worker in many industries.

The total investment per cow on these farms averaged $1,450. Land and buildings amounted to 47 percent, cattle 26 percent, and machinery 20 percent of the total investment.

High capital investment per "productive unit" (per cow) in a business tends to cause a heavier overhead cost per unit. In some cases, it may indicate that the capital resources are not being used to capacity.

The land and buildings investment per crop acre on these farms averaged $261. On dairy farms, the buildings are a big factor affecting the total value of a farm. It is important, however, that there be sufficient cropland to provide roughage for the cattle kept.

Capital turnover (years required for receipts to equal capital) is sometimes used to measure efficiency in the use of capital. On these farms, it would require 2.4 years for the 1961 farm receipts to equal the capital investment.

WHERE THE MONEY CAME FROM

Every business needs a good source of income. Below we examine the sources of income for these 490 farms in 1961. Total farm receipts averaged $62 per day.

FARM RECEIPTS
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm	Percent of total
Milk sales	$_____	$16,928	86
Livestock & poultry sold	_____	1,771	9
Eggs sold	_____	18	--
Crop sales	_____	197	1
Miscellaneous*	_____	809	4
Total cash receipts	$_____	$19,723	100
Increase in inventory	_____	2,782	
TOTAL FARM RECEIPTS	$_____	$22,505	

*Includes work off farm, conservation payments, refunds, etc.

Total cash receipts amounted to $19,723 per farm. Milk was the largest source of income, and made up 86 percent of the cash receipts. Livestock sales amounted to 9 percent of cash receipts.

Increases in inventory are due to gradual expansion and are a usual occurence in a "going" dairy farm business. Inventory changes occur as a result of more cows, larger investment in machinery and equipment, additions to buildings, or a better feed situation. Changes in these items resulted in net increases in inventories of $2,782 per farm.

Increases in inventory due to expansion are considered as farm receipts. These items could have been sold and turned into cash receipts if a farmer wished to do so. Instead the farmer decided to invest this in his business. In other businesses, they refer to it as being "plowed back."

	Average of 490 farms	Your farm
Average price per hundredweight of 3.7 milk	$ 4.47	$_____
Average milk sales per cow	$ 445	$_____
Average farm receipts per man	$12,503	$_____

WHERE THE MONEY WENT

FARM EXPENSES
490 New York Dairy Farms, 1961

Item	Your farm 1961	Average per farm	Percent of total
Hired labor	$_____	$ 1,319	11
Dairy feed	_____	4,742	39
Other feed	_____	34	--
Machine hire	_____	104	1
Machinery, small tool expense	_____	799	7
Auto expense (farm share)	_____	165	1
Gas and oil	_____	703	6
Breeding fees	_____	193	2
Veterinary, medicine	_____	246	2
Other livestock, poultry expense*	_____	824	7
Lime and fertilizer	_____	697	6
Seeds and plants	_____	215	2
Spray, other crop expense	_____	152	1
Land, building and fence repair	_____	373	3
Taxes, insurance	_____	802	7
Electricity, telephone (farm share)	_____	346	3
Miscellaneous	_____	240	2
Total Cash Operating Expenses	$_____	$11,954	100
New machinery	_____	2,065	
New real estate	_____	923	
Livestock purchases	_____	810	
Unpaid labor	_____	373	
Decrease in inventory	_____	- -	
TOTAL FARM EXPENSES	$_____	$16,125	

*Includes milk hauling, $353.

FINANCIAL SUMMARY OF YEAR'S BUSINESS

There are several ways of measuring the returns from a farm business. These measures have been developed for specific purposes. The measure selected at any one time will depend on the purpose for which it is to be used.

Four measures have been calculated for the 490 dairy farms for 1961. They are: (1) net cash operating income, (2) labor income, (3) cost of producing a hundredweight of milk, and (4) rate of return on investment.

NET CASH OPERATING INCOME
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
Total Cash Receipts	$_____	$19,723
Total Cash Operating Expenses	_____	11,954
NET CASH OPERATING INCOME	$_____	$7,769

"Net cash operating income" reflects the cash available from the year's operation of the farm business for family living, payments on interest and principal of debts, new capital purchases, and savings. In instances where non-farm income was earned by some member of the family or where money was borrowed or inherited, the cash actually used might be greater than the amount of the cash operating income.

Family living expenses have a first claim on cash income. Fixed debt obligations also have a high priority on available cash.

The size of the cash operating income often determines how a farm family "feels" about their financial situation. If the cash position is short, the family is likely to feel the business is not doing well. It may not be providing a large cash income, but if the business is expanding it may be quite successful in spite of a low cash operating income.

Net cash operating income is <u>not</u> a good measure of the success of the operation of the farm business.

LABOR INCOME
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
Total Farm Receipts	$_____	$22,505
Total Farm Expenses	$_____	$16,125
Farm Income	$_____	$ 6,380
Interest on average Capital of $53,722 at 5%	$_____	$ 2,686
LABOR INCOME per farm	$_____	$ 3,694
Number of operators on 490 farms	_____	540
LABOR INCOME per operator	$_____	$ 3,352

"Labor Income" is a measure used to determine the return the farm operator receives for his labor and management. It is the amount left after paying all farm expenses, and deducting a charge for unpaid family labor and for interest on the capital invested. Labor income is the measure used most commonly when studying or comparing farm businesses.

Changes in inventories during the year are included in figuring labor income. Increases in inventories due to expanding the business are considered as farm receipts and decreases in inventories are included as farm expenses.

Interest payments and payments on debts are not included in the farm expenses. To make all farms comparable, a five percent interest charge on the average capital investment (average of beginning and end inventories) is deducted to get labor income.

The average labor income per operator was $3,352 or $279 per month. The labor incomes ranged from minus $10,500 to $16,500, or a difference of $27,000. The distribution of the labor incomes is shown below.

Labor income per operator	No. of farms	Percent
$5,000 and over	122	25
$2,500 to $4,999	180	37
0 to $2,499	153	31
Minus return	35	7

COST OF PRODUCING MILK
490 New York Dairy Farms, 1961

Item	Your farm		Average per farm	
Total Farm Expenses	$_____		$16,125	
Interest on Investment	_____		2,686	
Value of Operators' Labor*	_____		3,967	
Total		$_____		$22,778
Less: All receipts other than milk:				
Livestock sales	$_____		$ 1,771	
Egg sales	_____		18	
Crop sales	_____		197	
Miscellaneous	_____		809	
Increase in Inventory	_____		2,782	
Total		$_____		$ 5,577
Net cost of producing milk		$_____		$17,201
Hundredweight of milk sold		_____		3,787
Cost per cwt. of milk sold		$_____		$ 4.54

* $3,600 per year. Some farms had more than one operator.

The cost of producing milk can be calculated by combining total farm expenses, five percent interest on investment and the value of the operator's labor and deducting from this the total of all receipts other than milk. This figure is then divided by the hundredweight of milk sold to determine the cost per hundredweight.

This method assumes that no profit or loss was made on receipts other than milk. That is, the cost of producing these receipts was exactly the same as the price at which they were sold or entered in the inventory. On farms such as these specialized dairy farms, this assumption is not improper.

It should be notedthat if the value of the operator's labor was entered at the average labor income, the cost of producing a hundredweight of milk would be equal to the price received. If the operator's labor is entered at a rate higher than the labor income, the cost is more than the price received.

RATE OF RETURN ON INVESTMENT
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
Total Farm Receipts	$_____	$22,505
Total Farm Expenses	$_____	$16,125
Farm Income	$_____	$ 6,380
Value Operator's Labor *	$_____	$ 3,967
Return on Investment of $53,722	$_____	$ 2,413
Rate of Return on Investment	_____%	4.5%

* $3,600 per year. There were 540 operators on 490 farms.

The return on investment is calculated by deducting from the "Farm Income" a charge for the operator's labor. This return is then divided by the average investment for the year to determine the rate of return on investment.

The average return on investment was 4.5 percent or slightly more than the rate of interest many people earn on their savings.

PART II - ANALYSIS OF THE FARM BUSINESS

It is important that farmers learn how to keep good recrods and continue to keep these records to check on the financial success of their businesses. It is much more important that farmers use these records to analyze the farm business to determine the strong and weak points and use this analysis as a basis for making changes in the business. This section of the publication presents averages for various business factors with which farmers can compare their own businesses. Feed costs and labor and machinery costs are studied in detail. Also included are some tables and graphs to show the relationship of some of the business factors to labor incomes.

The relationship of size of business, rates of production, labor efficiency, and cost control to labor income is examined. The measures used for each of these factors are:

Size of business:	Number of cows
Rates of production:	Pounds of milk sold per cow
Labor efficiency:	Pounds of milk sold per man
Cost control:	Percent purchased feed is of milk receipts
	Machinery cost per cow
	Labor and machinery cost per cow

Complete asset and liability information for a group of 74 farms from five counties is included to help farmers do some analysis of their own financial situation.

LABOR AND MACHINERY COSTS

Machinery costs exceed feed costs on some dairy farms. They are important on every dairy farm and are becoming more important each year.

MACHINERY COSTS*
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm Amount	Per cent
Beginning inventory	$_____	$10,442	
New machinery bought	_____	2,065	
Total	$_____	$12,507	
End inventory	$_____	$11,062	
Machinery sold	_____	51	
Total	$_____	$11,113	
Depreciation	$_____	$ 1,394	34
Interest @ 5% Av. inventory	_____	538	13
Gas and oil	_____	703	17
Machinery repairs	_____	799	20
Milk hauling	_____	353	9
Machine hire	_____	104	3
Auto expense (farm share)	_____	165	4
Total machinery cost	$_____	$ 4,056	100
Machinery cost per cow	$_____	$ 107	
Machinery cost per cwt. milk sold	_____	$ 1.07	
Machinery cost per crop acre	_____	$ 41	
Machinery cost per man	_____	$ 2,253	

*Does not include insurance, housing, or farm labor on repairs.

With machinery costs per cow of $107 and an average milk price of $4.47, it would take almost 2,400 pounds of milk to pay the machinery costs for each cow. These costs can make or break a dairyman.

LABOR AND MACHINERY COST
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
Labor costs:		
Value operators' labor*	$_____	$3,967
Hired labor	$_____	1,319
Unpaid family labor	_____	373
Total labor	$_____	$5,659
Machinery cost:		
Total machinery cost	_____	4,056
Total labor and machinery cost	$_____	$9,715
Labor and machinery cost:		
Per crop acre	$_____	$ 98
Per cow	$_____	256
Per cwt. milk sold	$_____	2.57

*Operator's labor valued at $3,600 per year. There were 540 operators on the 490 farms.

Farmers frequently justify high machinery costs on the basis that the machinery has saved labor. To check on this, one can figure the combined labor and machinery cost per unit.

Since the operator is not paid, it is necessary to estimate the value of his labor. Here the operator's labor has been valued at $3,600 per year. This gives some basis for studying the total labor and machinery costs on a farm.

The total cost of labor to a farm business is many times overlooked. The operator and his family supply about two-thirds of the labor on the average of these dairy farms. Much of this labor cost doesn't show in a farm record because it is not paid directly. With the operator's labor valued at $300 per month, the total labor cost was 40 percent greater than the machinery cost.

Of the total cost of producing milk, labor made up 25 percent while feed was 21 percent, machinery cost 18 percent and all other costs 36 percent. Labor becomes the largest single cost in the operation of a dairy farm when the value of the operator's labor is included. It is highly important that all farm labor be used efficiently.

FEED COSTS

Feed bought is the largest single expense item on most dairy farms. It is good management to keep watch of this cost item. Below are some "checks" which may help in locating weaknesses in the feed program.

SELECTED FACTORS RELATED TO FEED COSTS
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
Purchased Feed		
Dairy feed bought (grain and hay)	$_____	$4,742
Feed bought per cow	$_____	$ 125
Feed bought as % of milk receipts	_____ %	28%
Feed bought per cwt. of milk sold	$_____	$ 1.25
Roughage Harvested (hay equivalent)		
Hay (tons) _____		169 tons
Corn silage (tons ÷ 3) _____		45 tons
Grass and other silage (tons ÷ 3) _____		18 tons
Total tons hay equivalent	_____	232 tons
Tons hay equivalent per cow	_____	6.1 tons
Other Considerations		
Total acres in crops per cow	_____	2.6 acres
Lime and fertilizer expense per crop acre	$_____	$7.04
Lime and fertilizer expense per cow	$_____	$ 18
Number of heifers per 10 cows	_____	6.1

The average tons of hay equivalent harvested per cow was 6.1 tons. This roughage isused for both the heifers and cows. This measure of hay equivalent is of quantity only. Quality is also important. To have high quality hay, haying should be started by June 1st and be finished before July 1st. Time of cutting influences the quality of hay more than any other factor.

What was the "quality" of your hay in 1961? _____

When did you finish your first cutting? _____

IMPORTANT FACTORS AFFECTING FARM INCOMES

Research has shown that size of business, rates of production, and labor efficiency are three important factors affecting farm incomes. Below are the group averages of selected measures for each of these three factors.

BUSINESS FACTORS
490 New York Dairy Farms, 1961

Factor	Your farm	Average per farm
Size of Business		
Total work units	_____	516
Man equivalent	_____	1.8
Number of cows	_____	38
Pounds of 3.7 milk sold	_____	378,684
Rates of Production		
Pounds of 3.7 milk sold per cow	_____	9,965
Tons of hay per acre	_____	2.6
Tons of corn silage per acre	_____	12
Bushels of oats per acre	_____	50
Labor Efficiency		
Work units per man	_____	287
Number of cows per man	_____	21
Pounds of 3.7 milk sold per man	_____	210,380
Crop acres per man	_____	55

Farm management studies show that, in general, larger farms pay better than smaller farms. Larger farms make it possible to make better use of labor and equipment. However, size alone does not always mean profitable operation.

High rates of production are obtained by following the best known practices in both crop and animal production.

Good labor efficiency can be accomplished in many ways. Some farmers do it by long hours of work. Others get efficiency by wise use of labor saving equipment. Still others develop efficient work habits and practices.

COST CONTROL

Expenditures on a modern dairy farm are large. These 490 dairy farms in 1961 spent an average of $1,343 per month, or about $44 per day. The way this money is spent has an important effect on the operator's income.

"Cost control" is essential in any business. This means keeping check on all costs. One can spend "too little" as well as "too much." In trying to keep costs down, a farmer must guard against cutting costs which reduce the efficiency of the business.

Below are some "yardsticks" for checking the reasonableness of expenses on a dairy farm.

COST CONTROL MEASURES
490 New York Dairy Farms, 1961

Item	Your farm	Average per farm
% Feed bought is of milk receipts	_____%	28%
Feed bought per cow	$_____	$ 125
Fertilizer & lime cost per cow	$_____	$ 18
Machinery repairs per cow	$_____	$ 21
Taxes and insurance per cow	$_____	$ 21
Electricity and telephone per cow	$_____	$ 9
Total farm expense per cow	$_____	$ 430
Machinery cost per crop acre	$_____	$ 41
Fertilizer & lime per crop acre	$_____	$7.04
Gas & oil per crop acre	$_____	$7.10
Taxes and insurance per crop acre	$_____	$8.10
% Expenses are of receipts	_____%	72%

There is NO magic for keeping costs in line. All cost items must be watched. Little "extra" costs add up over time.

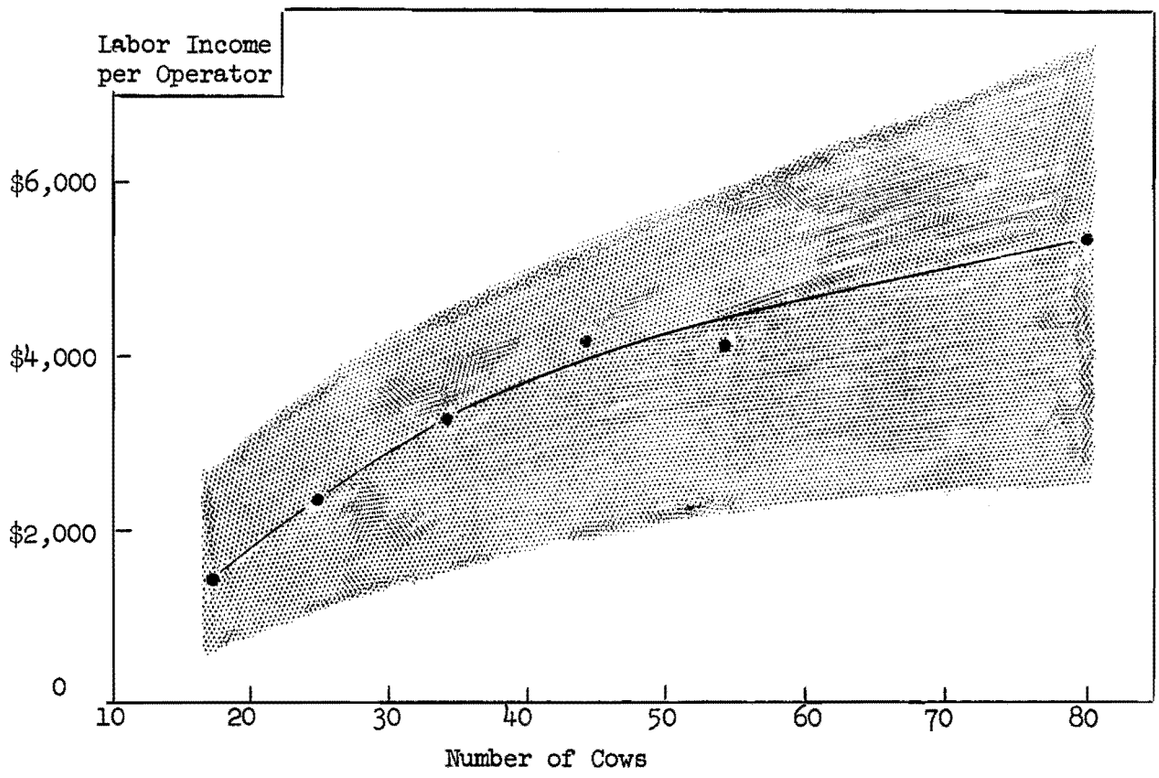
FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

In 1961, a total of 490 farms were included in the general dairy farm business summary. Business analysis of these farms show them to be above the state average in most factors affecting profits. Information from these farms has been used to construct the chart below. The figure at the top of each column is the average for the highest (or lowest) ten percent of the farms in that factor. The next figure in the column is for the next highest ten percent of the farms and so forth down the column. Each of the columns is independent of the others.

Size			Rates of Production			Labor Efficiency		Feed Factors	
Man equiv-alent	Number of cows	Pounds of milk sold	Pounds milk sold per cow	Tons hay per acre	Tons corn silage per acre	Cows per man	Pounds milk sold per man	Hay equiv. per cow	Percent feed is of milk receipts
3.3	75	802,800	12,900	4.2	20	32	337,800	10.3	12
2.4	52	540,700	11,700	3.4	16	26	273,100	8.0	18
2.2	45	454,600	11,100	3.0	15	25	248,500	7.1	21
2.0	39	400,000	10,600	2.8	13	22	229,700	6.5	24
1.8	36	361,300	10,200	2.5	12	21	208,700	6.1	27
1.6	33	326,800	9,700	2.4	11	20	190,700	5.7	29
1.5	31	287,400	9,200	2.2	10	19	178,300	5.4	31
1.3	27	251,900	8,700	2.0	10	17	163,000	5.0	34
1.2	23	211,600	7,900	1.9	8	15	141,300	4.3	38
1.1	18	150,000	6,900	1.4	6	12	105,200	3.2	44

How does your business measure up against this group of commercial dairy farms? Take a pencil and draw a line through each column which will show where your business stands. Are you in the "first division" (above the center line) on more than half of these factors?

COWS PER FARM AND LABOR INCOME
490 New York Dairy Farms, 1961

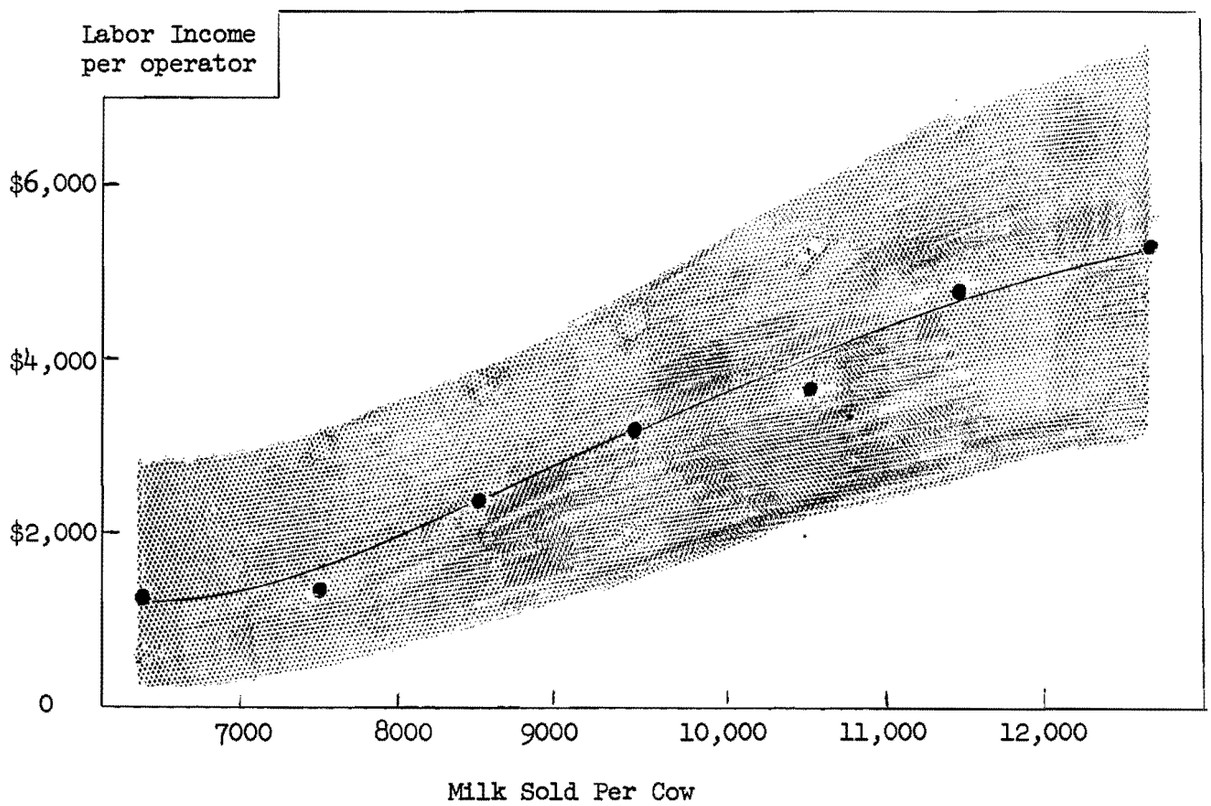


The dots on the above graph represent the average labor income for each of the groups in the table below. The solid line on the graph shows the tendency for labor incomes to be higher as the size of the herd increases. The shaded area on the above graph (and those on the next five pages) represents the labor incomes of approximately the middle half of the farmers in each herd size group. One-fourth of the labor incomes are below and another one-fourth are above the shaded area. The variation in labor incomes is greater as the size of herd increases. In general, the larger farms had higher labor incomes, but it can be seen from the graph that some farmers with 25 cows had higher labor incomes than other farmers with 80 cows.

COWS PER FARM AND LABOR INCOME
490 New York Dairy Farms, 1961

Number of cows	Av. No. Cows	Number of farms	Pounds milk sold		Labor income per operator
			per cow	per man	
Under 20	17	33	8,830	125,100	$1,410
20 - 29	25	118	9,600	171,400	2,360
30 - 39	34	178	9,990	212,400	3,300
40 - 49	44	70	10,190	213,500	4,180
50 - 59	54	54	10,050	226,100	4,140
60 or more	80	37	10,510	262,800	5,360

MILK SOLD PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961

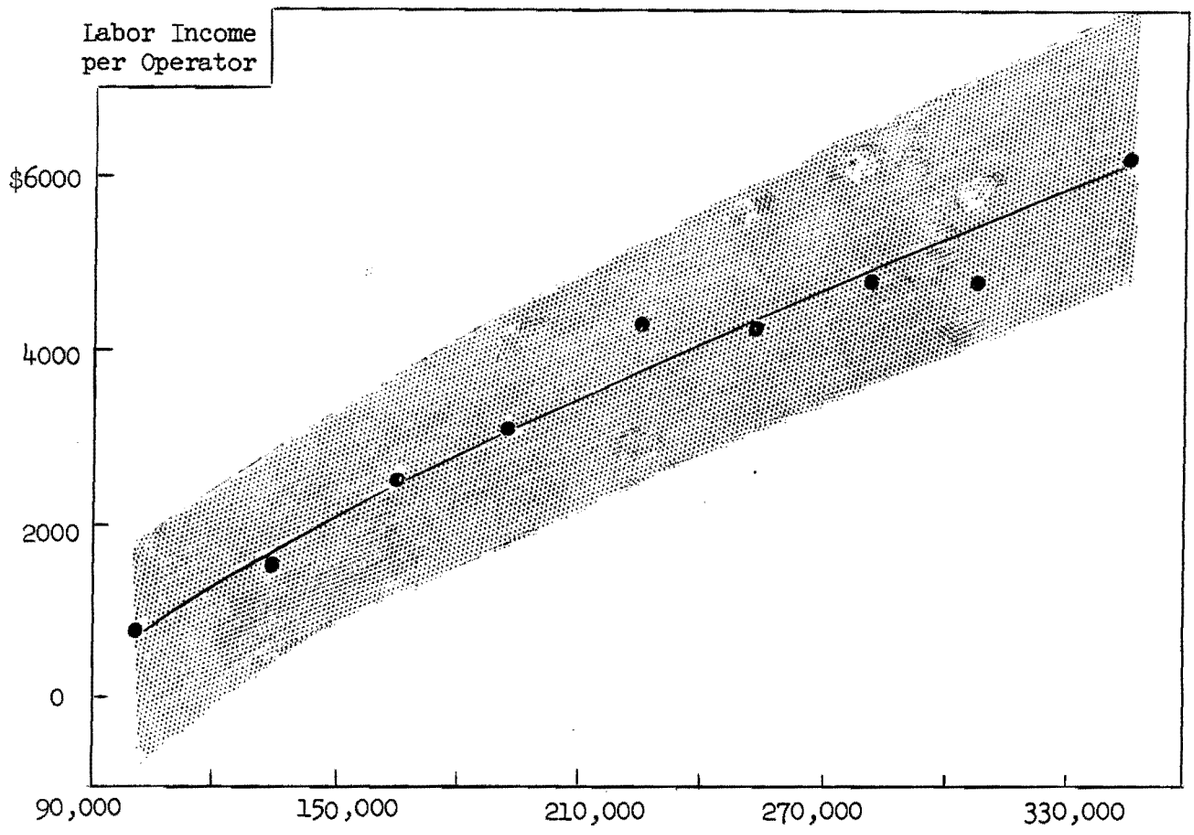


The average income per operator was over four times as great on the farms that sold over 12,000 pounds of milk per cow as on those that sold less than 7,000 pounds. The shaded area shows that there is somewhat more variation in labor income among farms as the milk sold per cow increases. The farms with higher producing cows had slightly larger herds and sold more milk per man.

MILK SOLD PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961

Pounds milk sold per cow	Number of farms	Number of cows	Pounds milk sold per man	Operator's labor income per cow	Labor income per operator
Under 7,000	24	34	135,100	$ 37	$1,250
7,000 to 8,000	50	33	145,900	40	1,330
8,000 to 9,000	72	38	177,400	61	2,330
9,000 to 10,000	100	37	204,100	86	3,170
10,000 to 11,000	106	39	215,200	93	3,630
11,000 to 12,000	79	40	225,800	119	4,780
12,000 and over	59	42	278,800	126	5,290

POUNDS OF MILK SOLD PER MAN AND LABOR INCOME
490 New York Dairy Farms 1961

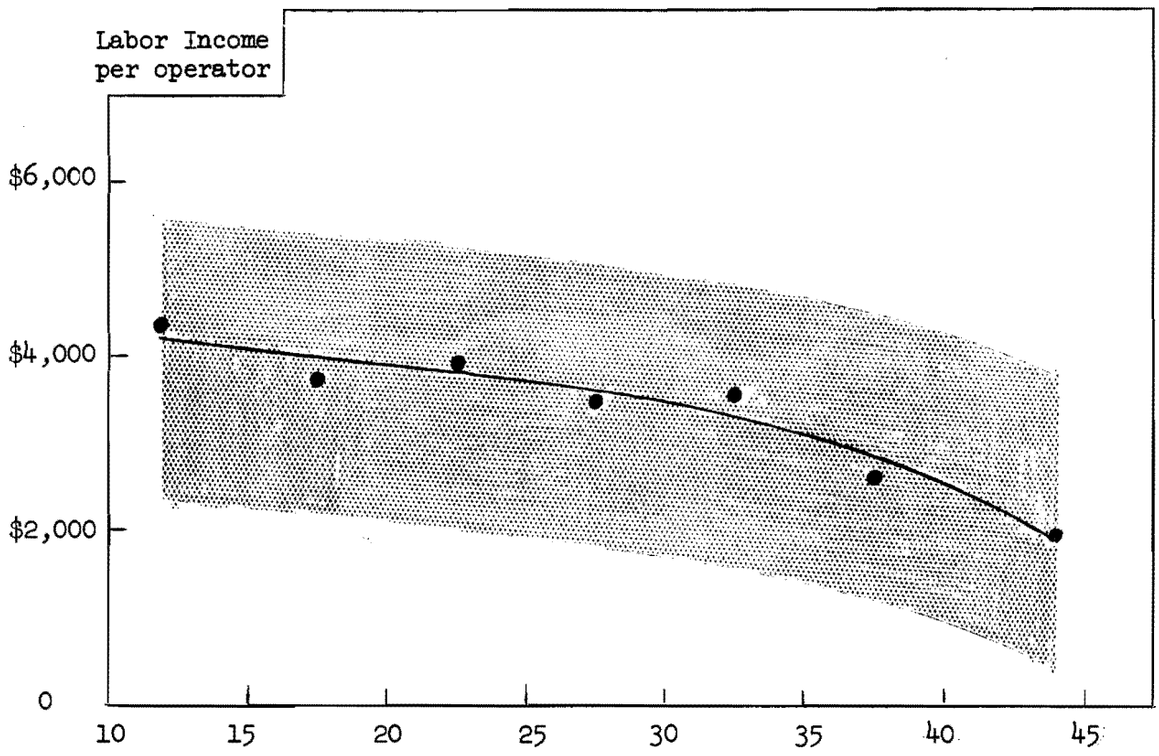


Average labor income increased rapidly as milk sold per man increased. Man equivalent per farm remained relatively constant while the average number of cows and milk sold per cow increased markedly. On the farms that sold more milk per man, each man handled more cows and each cow produced more milk than on the farms with low milk sold per man.

POUNDS OF MILK SOLD PER MAN AND LABOR INCOME
490 New York Dairy Farms, 1961

Pounds milk sold per man	Number of farms	Man equivalent	Number of cows	Pounds milk sold per cow	Labor income per operator
Under 120,000	41	1.7	22	7,940	$ 750
120,000 to 150,000	49	1.8	29	8,540	1,490
150,000 to 180,000	87	1.9	34	9,150	2,480
180,000 to 210,000	95	1.8	36	9,800	3,090
210,000 to 240,000	72	2.0	44	10,120	4,340
240,000 to 270,000	66	1.8	45	10,310	4,280
270,000 to 300,000	38	1.7	43	11,310	4,870
300,000 and over	42	1.7	50	11,590	6,250

PERCENT PURCHASED FEED IS OF MILK RECEIPTS AND LABOR INCOME
490 New York Dairy Farms, 1961

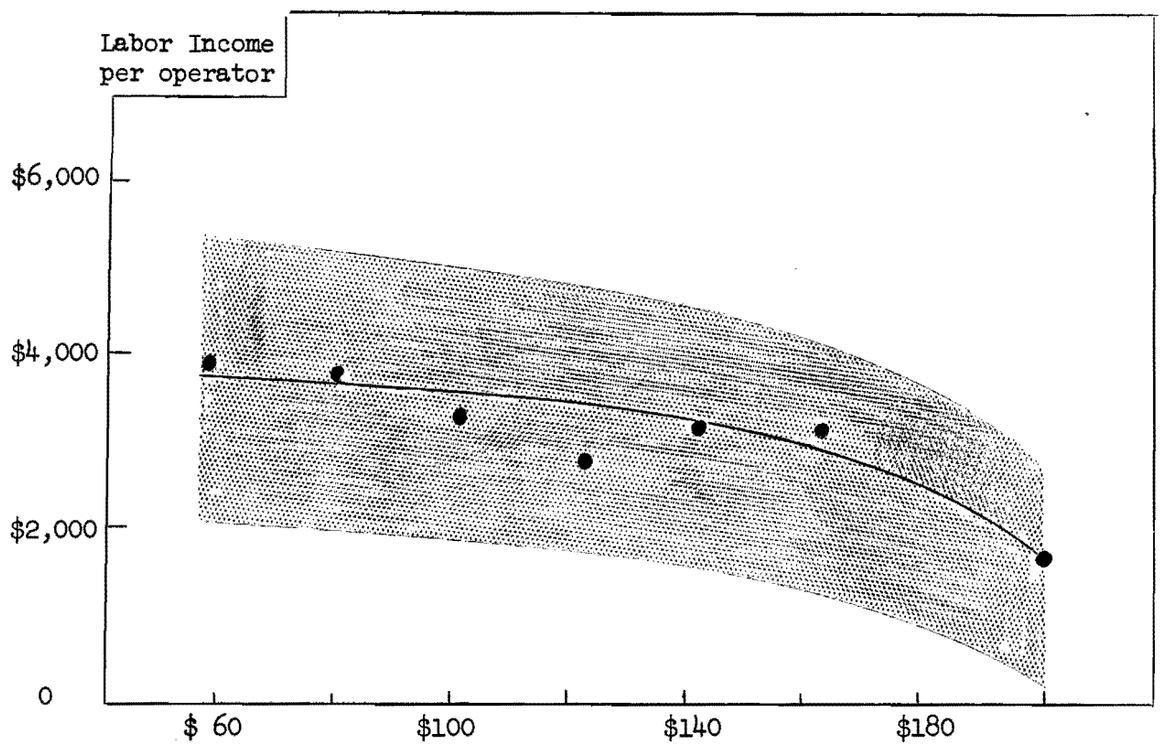


The farmers that paid out 35 percent or more of their milk receipts for purchased feed had considerably lower labor incomes than those that paid out a smaller percentage. There was little difference in labor incomes in the 15 to 35 percent range but farmers that paid out less than 15 percent of the milk check for feed had somewhat higher incomes.

PERCENT PURCHASED FEED IS OF MILK RECEIPTS AND LABOR INCOME
490 New York Dairy Farms, 1961

%Feed bought is of milk sales	Number of farms	Number of cows	Pounds of milk sold per cow	Pounds of milk sold per man	Labor income per operator
Under 15	36	34	9,760	184,300	$4,350
15 - 19	61	38	9,460	189,200	3,700
20 - 24	85	38	10,030	200,600	3,880
25 - 29	105	39	10,070	206,700	3,500
30 - 34	84	40	10,110	224,700	3,590
35 - 39	63	34	9,980	199,500	2,620
40 and over	56	41	9,890	213,500	1,960

MACHINERY COST PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961

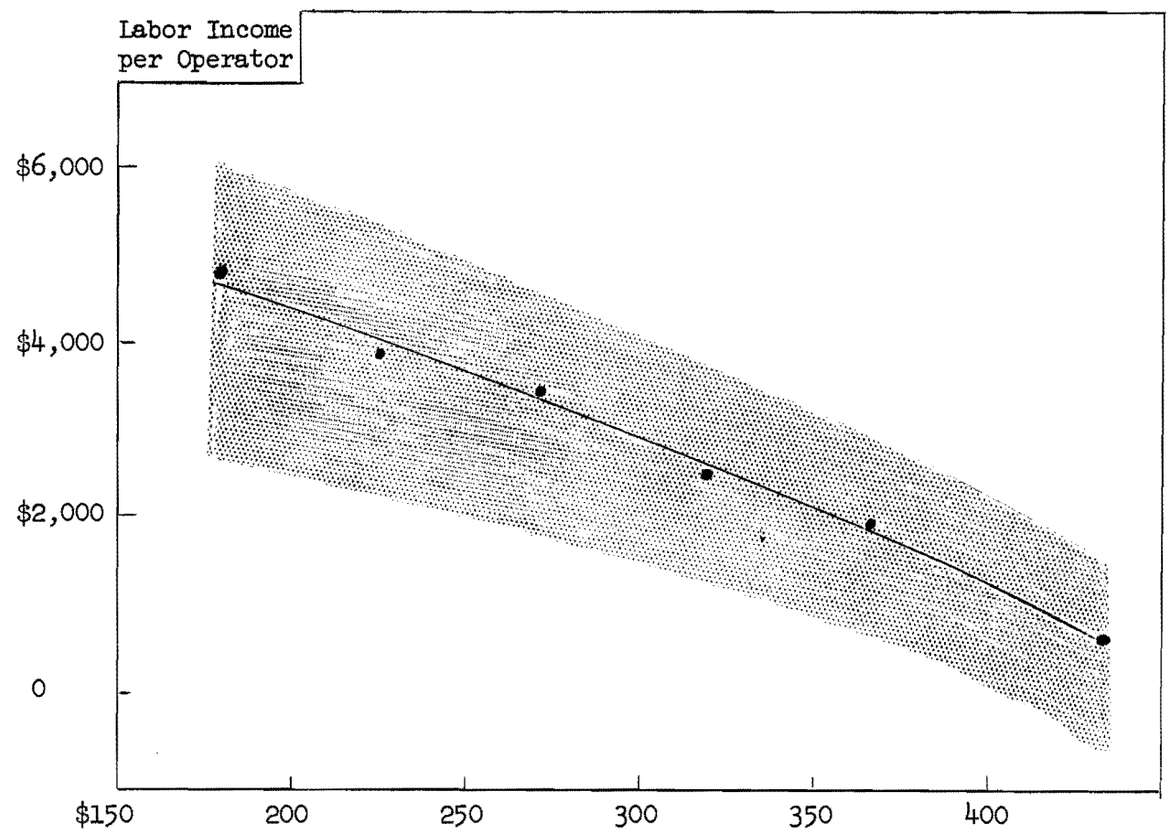


Labor incomes were lower on farms with machinery costs per cow of over $180 than on the farms with lower costs. Milk sold per man was about the same for all groups while milk sold per cow was somewhat higher on the farms with high machinery costs per cow. The farms with higher machinery costs per cow had smaller herds.

MACHINERY COST PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961

Machinery cost per cow	Number of farms	Number of cows	Pounds milk sold per cow	Pounds milk sold per man	Labor income per operator
Under $80	71	39	9,070	208,000	$3,870
$80 to $100	112	39	9,900	214,500	3,800
$100 to $120	115	38	10,150	203,000	3,340
$120 to $140	86	39	10,330	212,000	2,800
$140 to $160	61	35	10,490	204,000	3,260
$160 to $180	29	33	10,550	204,700	3,190
$180 and over	16	32	11,310	198,100	1,715

LABOR AND MACHINERY COST PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961



The average labor income was much higher on farms with labor and machinery costs under $200 than on those with costs of $400 or more per cow. Average herd size and pounds of milk sold per man were greater on farms with low labor and machinery cost per cow. Milk sold per cow was slightly higher on farms with higher labor and machinery costs.

LABOR AND MACHINERY COST PER COW AND LABOR INCOME
490 New York Dairy Farms, 1961

Labor & Mach. cost per cow	Number of farms	Number of cows	Pounds milk sold per cow	Pounds milk sold per man	Labor Income per operator
Under $200	52	47	9,220	255,000	$4,825
$200 to $250	134	43	9,870	235,700	3,900
$250 to $300	169	38	10,420	208,300	3,462
$300 to $350	86	31	10,280	177,100	2,603
$350 to $400	28	26	10,210	156,200	2,054
$400 and over	21	20	10,538	131,700	738

COMBINATION OF FACTORS

In this section, four major factors were studied in combination. The factors used were size, rates of production, labor efficiency and cost control measured by number of cows, pounds of milk sold per cow, pounds of milk sold per man, and percent that purchased feed was of milk receipts, respectively. For each factor, the farms were divided on the basis of whether they were above or below the average for the 490 farms.

Sorting the farms in this manner, the number of farms and the average labor incomes are reported for sixteen different combinations. There were 39 farms that were high in all four factors, and 65 farms that were low in all four factors. The group that was high in all factors had an average labor income of $6,660, whereas the group that was low in all four factors had an average labor income of $1,070.

COMBINATION OF FACTORS ABOVE AVERAGE AND LABOR INCOME
490 New York Dairy Farms, 1961

	Farms with more than 38 cows		Farms with 38 or less cows	
	Number of farms	Labor income per operator	Number of farms	Labor income per operator
Pounds milk sold/cow above av.				
Pounds milk/man above av.				
% Feed is of milk av. & below*	39	$6,660	35	$4,980
% Feed is of milk above av.	39	5,140	41	3,830
Pounds milk/man av. & below				
% Feed is of milk av. & below*	12	4,520	40	3,190
% Feed is of milk above av.	7	3,470	22	2,530
Pounds milk sold/cow av. & below				
Pounds milk/man above av.				
% Feed is of milk av. & below*	10	4,830	15	4,410
% Feed is of milk above av.	19	3,700	16	2,690
Pounds milk/man av. & below				
% Feed is of milk av. & below	33	2,580	81	2,380
% Feed is of milk above av.	16	1,640	65	1,070

* In a farm business, it is preferable that the percent that purchased feed is of the milk check be below average.

COMBINATION OF FACTORS ABOVE AVERAGE* AND LABOR INCOME
490 New York Dairy Farms, 1961

Number of factors better than average	Number of farms	Labor income per operator
4 factors better than average	39	$6,660
3 factors better than average	96	4,970
2 factors better than average	155	3,420
1 factor better than average	135	2,350
0 factors better than average	65	1,070

* Factors were: size as measured by number of cows
rate of production as measured by pounds milk sold per cow
labor efficiency as measured by pounds milk sold per man
cost control as measured by percent purchased feed was of milk receipts.

The farms were further grouped on the basis of the number of factors better than the group average. As the number of factors which were better than average decreased, the average labor income decreased rapidly.

The farms that were better than average in size of business, rates of production, labor efficiency and cost control made high labor incomes. Farms that were better than average in three of the four factors made very acceptable labor incomes.

Farmers who were below average in all factors or above average in only one factor made rather low labor incomes. If a farmer wants to achieve a high labor income, he needs to be above average in at least three of the factors. This may seem difficult to some, but 28 percent of the farmers in this study achieved this goal in 1961.

NET WORTH STATEMENT, 74 FARMS

In studying a farm business, it is apparent that the common measures used to analyze the business do not always bring out all the problems. Many times it is the debt load that keeps a farm business from supplying the family with sufficient money for family living. This can come about in at least two ways. One may be that even though the business is profitable, a heavy debt load with too short a repayment period takes so much of the profits that little is left for the family. Another possibility is that solving problems in a farm business may be very difficult because the present debt committments may make it nearly impossible for the operator to borrow money needed to make improvements in the business.

Many times an analysis of an individual farm business necessarily leads into the credit situation of the operator. Included in this summary is asset and liability information from 74 farms in five counties. These farmers reported assets and liabilities on a voluntary basis. No farm was included unless the operator had some debts.

ASSETS AND LIABILITIES, JANUARY 1, 1962
74 Cayuga, Madison, Schoharie, Jefferson and St. Lawrence County Farms

Item	Your farm	43 Cayuga, Madison and Schoharie Farms Average	Percent	31 Jefferson and St. Lawrence Farms
Assets:				
Farm land and buildings	$_____	$27,369	43	$18,445
Other farm property	_____	30,456	48	27,819
Total Farm Assets	$_____	$57,825	91	$46,264
Accounts receivable	_____	636	1	N A
Cash	_____	395	1	N A
Stocks and bonds	_____	745	1	N A
Cash value life insurance	_____	764	1	N A
Household goods	_____	1,993	3	N A
Other personal	_____	1,443	2	N A
Total Assets	$ 52 212	$63,801	100	$50,552
Liabilities and Net Worth:				
Mortgage on farm	$_____	$14,299	57	N A
Short-term loans from credit agencies	_____	7,636	31	N A
Notes to individuals	_____	2,044	8	N A
Open accounts	_____	1,045	4	N A
Total Liabilities	$ 21,212	$25,024	100	$15,924
Net Worth	37000	38,777		34,628
Total	$_____	$63,801		$50,552
% Equity (Net Worth ÷ Assets)	_____ %		61%	68%
% Mortgage is of value of farm	_____ %		52%	N A
Number of cows	_____		40	40
Mortgage debt per cow	$_____		$358	N A
Short-term debt per cow	$_____		$268	N A
Total debt per cow	$_____		$626	$398

The blank spaces on the previous page will help a farmer to determine his net worth and the averages will help him look at his debt load in comparison to the debts of other farmers. These averages are not representative of all the farms in the farm business management projects. The debt load on these farms is believed to be heavier than on the average farm in the groups.

The 43 farms in Cayuga, Madison and Schoharie Counties had over 90 percent of their total assets invested in the farm business. Farmers usually have most of their assets tied up in the farm business. On the 43 farms, a little less than half of the farm assets was invested in land and buildings and slightly more than half in cattle, equipment, feed and supplies.

Fifty-seven percent of the liabilities on these farms were in the form of mortgage or long term credit and 43 percent in short term obligations. The average herd size on these farms was 40 cows. The mortgage debt was $358 and the short term debt $268 per cow, making a total debt of $626 per cow. This is a more favorable balance between long and short term debt than on many farms. Many operators have more short term than long term debts. This tends to make heavy repayment schedules that may be difficult to meet.

Farmers in both the Cayuga, Madison, Schoharie and the Jefferson and St. Lawrence groups had about two-thirds equity in their businesses. In other words, they were about one-third in debt. On the average, these farmers' debt loads are not excessive when compared to assets. However there are tremendous variations among the farmers. Some had almost 100 percent equity in their businesses, while others had almost no equity.

Farmers cooperating in the business management projects have not been requested to submit complete asset and liability information as a formal part of the program. Much individual work has been done with these farmers relative to their financial structure and debt situation. Complete asset and liability information from a larger number of farmers would be useful in analyzing farm businesses.

PART III - SUPPLEMENTARY INFORMATION

This section consists of statistics for many different groups of farms that will be useful for teaching purposes.

Included are averages for each of the following:

Farms with major sources of income other than milk
Rented dairy farms
Farms with large amounts of off-farm work
Farms sorted by herd size
Thirty high and 30 low labor income farms
Participating farms in each county
Comparison for years 1957-61

The county figures include farms with major sources of income other than milk.

COMPARISON OF BUSINESS SUMMARIES OF DAIRY FARMS WITH OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1961

Item	Dairy Poultry	Dairy Cash-crop	Dairy Fruit	Dairy Renters	Dairy Part-time
Capital Investment (End of year):					
Machinery	$11,644	$14,210	$17,226	$ 9,176	$11,254
Cattle	12,944	16,220	17,505	13,182	11,327
Poultry	917	--	--	--	--
Feed, supplies & other	4,057	6,142	7,804	3,036	3,748
Land and buildings	25,960	28,061	46,684	--	21,654
TOTAL INVESTMENT	$55,522	$64,633	$89,219	$25,394	$47,983
Farm Receipts:					
Milk sales	$16,508	$17,355	$19,421	$15,935	$12,138
Livestock sales	2,152	2,235	1,963	1,571	1,104
Egg sales	5,912	98	316	6	8
Crop sales	192	3,890	9,626	82	919
Miscellaneous	836	1,439	1,642	524	3,808
Total cash receipts	$25,600	$25,017	$32,968	$18,118	$17,977
Increase in inventory	2,084	2,898	6,331	2,082	3,273
TOTAL FARM RECEIPTS	$27,684	$27,915	$39,299	$20,200	$21,250
Farm Expenses:					
Hired labor	$ 2,136	$ 2,296	$ 5,921	$ 1,318	$ 1,685
Dairy feed	4,344	3,845	4,116	4,906	3,527
Other feed	3,472	76	263	61	47
Machine hire	181	231	530	87	97
Machinery, small tools	830	1,160	1,581	755	1,055
Auto expense (farm share)	201	165	215	134	130
Gas and oil	768	941	1,368	576	1,058
Breeding fees	202	223	249	209	150
Veterinary & medicine	262	352	314	267	164
Other livestock, poultry exp.	1,268	1,022	1,453	924	715
Lime and fertilizer	824	1,308	1,689	565	558
Seeds and plants	220	424	547	124	212
Spray, other crop expense	124	365	1,411	94	158
Land, building, fence repair	456	522	495	176	296
Taxes and insurance	840	1,053	1,463	235	746
Elec. and tel. (farm share)	436	410	495	276	315
Miscellaneous	680	641	379	1,712	219
Total Cash Operating	$17,244	$15,034	$22,489	$12,419	$11,132
New machinery	1,744	2,945	4,226	2,176	2,881
New real estate	760	533	1,411	71	650
Purchased livestock	1,032	694	889	881	533
Unpaid family labor	476	255	300	165	235
TOTAL FARM EXPENSES	$21,256	$19,461	$29,315	$15,712	$15,431
Financial Summary:					
Total farm receipts	$27,684	$27,915	$39,299	$20,200	$21,250
Total farm expenses	21,256	19,461	29,315	15,712	15,431
Farm Income	$ 6,428	$ 8,454	$ 9,984	$ 4,488	$ 5,819
5% on Av. Capital	2,724	3,159	4,303	1,218	2,317
Labor income per farm	$ 3,704	$ 5,295	$ 5,681	$ 3,270	$ 3,502
Number of operators	28	57	20	17	31
LABOR INCOME per Operator	$ 3,307	$ 4,552	$ 5,397	$ 3,270	$ 2,937

COMPARISON OF FARM BUSINESS FACTORS OF DAIRY FARMS
WITH OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1961

Item	Dairy Poultry	Dairy Cash-crop	Dairy Fruit	Dairy Renters	Dairy Part-Time
No. of farms	25	49	19	17	26
Size of Business:					
Man equivalent	2.1	2.2	3.2	1.6	1.8
Average number cows	35	39	40	35	31
Pounds of milk sold (3.7% equiv.)	363,700	390,000	417,000	332,600	272,300
Average number hens*	839	--	--	--	--
Total crop acres	96	140	184	85	100
Total man work units	552	616	1,022	468	585
Rates of Production:					
Pounds milk sold per cow	10,390	10,000	10,420	9,500	8,780
Tons hay per acre*	2.7	3.2	3.1	2.2	2.5
Tons corn silage per acre*	12	13	13	13	12
Bushels oats per acre*	53	59	71	52	48
Labor Efficiency:					
Man work units per man	263	280	319	293	325
Pounds milk sold per man (3.7%)	173,200	177,300	130,300	207,900	151,300
Use of Capital:					
Total capital per man	$26,439	$29,379	$27,881	$15,871	$26,657
Total capital per work unit	$ 101	$ 105	$ 87	$ 54	$ 82
Land & buildings per crop acre	$ 270	$ 200	$ 254	$ --	$ 217
Machinery investment: per man	$ 5,545	$ 6,459	$ 5,383	$ 5,735	$ 6,252
Feed Costs:					
Dairy feed bought per cow	$ 124	$ 99	$ 103	$ 140	$ 114
% Feed bought was of milk receipts	26%	22%	21%	31%	29%
Crop acres per cow	2.7	3.6	4.6	2.4	3.2
Fertilizer & lime expense/crop acre	$8.58	$ 9.34	$ 9.18	$ 6.65	$ 5.58
Number heifers per 10 cows	7.4	7.2	8.2	5.7	6.8
Machinery Costs:					
Total machinery cost	$ 4,640	$ 5,608	$ 7,553	$ 3,659	$ 4,542
Machinery cost per crop acre	$ 48	$ 40	$ 41	$ 43	$ 45
Machinery cost per man	$ 2,210	$ 2,549	$ 2,360	$ 2,287	$ 2,523
Prices:					
Av. price received for milk (3.7%)	$ 4.54	$ 4.45	$ 4.66	$ 4.79	$ 4.46
Other:					
% Real estate is of total capital	47%	43%	52%	--	45%
% Expenses are of receipts	77%	70%	75%	78%	73%
% Machinery cost is of total farm expense & interest on investment	19%	25%	22%	22%	26%

*Average for farms reporting

COMPARISON OF BUSINESS SUMMARIES BY SIZE OF FARM
490 New York Dairy Farms, 1961

Item	33 Farms Under 20 cows	118 Farms 20-29 cows	178 Farms 30-39 cows	70 Farms 40-49 cows	91 Farms 50 cows and over
Capital Investment (end of year)					
Machinery and equipment	$ 5,388	$ 7,636	$10,344	$12,991	$17,481
Cattle	5,882	9,223	12,723	17,333	24,487
Feed, supplies, other	2,133	2,763	3,466	4,843	6,479
Land and buildings	15,697	17,898	23,921	30,528	39,890
TOTAL INVESTMENT					
Farm Receipts					
Milk sales	$ 6,673	$10,699	$15,086	$20,063	$29,915
Livestock sold	791	1,176	1,429	2,324	3,142
Crop sales	103	96	160	180	451
All other sales	712	666	752	902	1,167
Total Cash Receipts	$ 8,279	$12,637	$17,427	$23,469	$34,675
Increase in Inventory	2,140	1,870	2,548	3,590	4,035
TOTAL RECEIPTS	$10,419	$14,507	$19,975	$27,059	$38,710
Farm Expenses					
Hired labor	$ 185	$ 444	$ 890	$ 1,586	$ 3,497
Feed	1,721	3,063	4,180	5,622	8,632
Machine hire	125	91	98	83	143
Machinery, small tools	324	486	686	903	1,520
Auto expense (farm share)	122	141	158	174	215
Gas and oil	327	481	608	829	1,213
Breeding fees	100	150	172	214	307
Veterinary and medicine	111	174	216	285	418
Other livestock, poultry exp.	433	574	738	951	1,358
Lime and fertilizer	270	372	661	767	1,289
Seeds and plants	88	127	201	257	373
Spray, other crop expense	103	108	122	161	277
Land, building, fence repair	197	222	333	413	681
Taxes and insurance	400	522	722	919	1,376
Elec. and Tel. (farm share)	200	259	306	367	575
Miscellaneous	64	154	188	217	532
Total Cash Operating	$ 4,770	$ 7,368	$10,279	$13,748	$22,406
New machinery	1,239	1,292	1,928	2,406	3,375
New real estate	564	567	871	1,471	1,195
Purchased livestock	759	662	616	957	1,287
Unpaid family labor	279	364	356	450	393
TOTAL FARM EXPENSES	$ 7,611	$10,253	$14,050	$19,032	$28,656
Financial Summary					
Farm receipts	$10,419	$14,507	$19,975	$27,059	$38,710
Farm expenses	7,611	10,253	14,050	19,032	28,656
Farm Income	$ 2,808	$ 4,254	$ 5,925	$ 8,027	$10,054
5% on Av. Capital	1,402	1,829	2,459	3,195	4,316
Labor Income per Farm	$ 1,406	$ 2,425	$ 3,466	$ 4,832	$ 5,738
Number of Operators	33	121	187	81	118
LABOR INCOME/Operator	$ 1,406	$ 2,365	$ 3,299	$ 4,176	$ 4,425

BUSINESS FACTORS BY SIZE OF FARM
490 New York Dairy Farms, 1961

	33 Farms Under 20 cows	118 Farms 20-29 cows	178 Farms 30-39 cows	70 Farms 40-49 cows	91 Farms 50 cows and over
Size of Business					
Man equivalent	1.2	1.4	1.6	2.1	2.7
Number cows	17	25	34	44	65
Pounds of 3.7% milk sold	150,100	240,000	339,800	448,400	664,000
Crop acres	52	74	89	110	160
Man work units	257	350	466	600	861
Rates of Production					
Milk sold per cow	8,830	9,600	9,990	10,190	10,220
Hay per acre	2.4	2.4	2.6	2.8	2.7
Corn silage per acre	10	11	12	13	13
Oates per acre	56	49	49	51	50
Labor Efficiency					
Work units per man	214	250	291	286	319
Pounds milk per man	125,100	171,400	212,400	213,500	245,900
Cows per man	14	18	21	21	24
Crop acres per man	43	53	56	52	59
Use of Capital					
Total capital per man	$24,250	$26,800	$31,530	$31,280	$32,720
Total capital per cow	1,710	1,500	1,480	1,493	1,360
Machinery Costs					
Total machinery cost	$ 1,990	$ 2,810	$ 3,650	$ 4,600	$ 6,790
Machinery cost per cow	117	112	107	105	104
Machinery cost per crop acre	38	38	41	42	42
Feed Costs					
Feed bought per cow	$ 101	$ 121	$ 122	$ 126	$ 132
% Feed is of milk receipts	26%	28%	28%	28%	29%
Fertilizer and lime expense per crop acre	$ 5.19	$ 5.03	$ 7.43	$ 6.97	$ 8.06
Crop acres per cow	3.1	3.0	2.6	2.5	2.5
Prices					
Average price for 3.7% milk	$ 4.45	$ 4.46	$ 4.44	$ 4.47	$ 4.51
Other					
% Expenses are of receipts	73%	71%	70%	70%	74%

COMPARISON OF BUSINESS SUMMARIES OF 30 FARMS WITH
HIGHEST LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
490 New York Dairy Farms, 1961

Item	Average of the 490 farms	Average of 30 farms with: Highest labor incomes	Average of 30 farms with: Lowest labor incomes
Capital Investment (End of year):			
Machinery	$11,062	$14,110	$10,743
Cattle	14,263	20,597	12,400
Feed and supplies, other	3,961	5,580	3,467
Land and buildings	25,827	32,667	27,567
TOTAL END INVENTORY	$55,113	$72,954	$54,177
Farm Receipts:			
Milk sales	$16,928	$27,460	$12,303
Livestock sold	1,771	2,677	1,300
All other sales and income	1,024	1,503	933
Total Cash Receipts	$19,723	$31,640	$14,536
Increase in Inventory	2,782	5,174	2,420
TOTAL FARM RECEIPTS	$22,505	$36,814	$16,956
Farm Expenses:			
Hired labor	$ 1,319	$ 2,697	$ 1,420
Dairy feed	4,742	6,767	3,680
Other feed	34	11	47
Machine hire	104	161	72
Machinery, small tools	799	1,136	868
Auto expense (farm share)	165	191	159
Gas and oil	703	947	650
Breeding fees	193	262	181
Veterinary and medicine	246	358	263
Other livestock, poultry expense	824	1,520	660
Lime and fertilizer	697	1,197	440
Seeds and plants	215	313	143
Spray, other crop expense	152	267	137
Land, building, fence repair	373	570	363
Taxes, insurance	802	1,010	763
Elec., tel. (farm share)	346	490	307
Miscellaneous	240	340	153
Total Cash Operating Expenses	$11,954	$18,237	$10,306
New machinery	2,065	3,077	2,720
New real estate	923	1,057	963
Purchased livestock	810	709	1,534
Unpaid family labor	373	260	407
Decrease in inventory	- -	- -	- -
TOTAL FARM EXPENSES	$16,125	$23,340	$15,930
Financial Summary:			
Farm Receipts	$22,505	$36,814	$16,956
Farm Expenses	16,125	23,340	15,930
Farm Income	$ 6,380	$13,474	$ 1,026
5% on Av. Capital	2,686	3,518	2,648
Labor Income per Farm	$ 3,694	$ 9,956	- $ 1,622
Number of Operators	540	31	31
LABOR INCOME per Operator	$ 3,352	$ 9,635	- $ 1,569

COMPARISON OF FARM BUSINESS FACTORS OF 30 FARMS WITH HIGHEST LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
490 New York Dairy Farms, 1961

Item	Average of the 490 farms	Average of 30 farms with: Highest labor incomes	Average of 30 farms with: Lowest labor incomes
Size of Business:			
Man equivalent	1.8	2.2	1.8
Average number cows	38	51	33
Pounds of milk sold (3.7% equiv.)	378,700	595,100	276,200
Total crop acres	99	129	88
Total man work units	516	693	441
Rates of Production:			
Pounds milk sold per cow	9,965	11,670	8,370
Tons hay per acre	2.6	2.6	2.4
Tons corn silage per acre	12	14	12
Bushels oats per acre	50	52	41
Labor Efficiency:			
Man work units per man	287	315	245
Pounds milk sold per man (3.7%)	210,400	270,500	153,400
Use of Capital:			
Total capital per man	$30,618	$33,161	$30,098
Total capital per cow	$ 1,450	$ 1,430	$ 1,642
Land & buildings per cow	$ 680	$ 641	$ 835
Machinery investment: per man	$ 6,146	$ 6,414	$ 5,968
per cow	$ 291	$ 277	$ 326
Feed Costs:			
Dairy feed bought per cow	$ 125	$ 133	$ 112
% Feed bought was of milk receipts	28%	25%	30%
Crop acres per cow	2.6	2.5	2.7
Fertilizer & lime expense/crop acre	$ 7	$ 9	$ 5
Number heifers per 10 cows	6.1	6.7	6.1
Machinery Costs:			
Total machinery cost	$ 4,056	$ 5,530	$ 3,980
Machinery cost: per cow	$ 107	$ 108	$ 121
per cwt. milk sold	$ 1.07	$ 0.93	$ 1.44
per man	$ 2,253	$ 2,514	$ 2,211
Prices:			
Av. price received for milk (3.7%)	$ 4.47	$ 4.61	$ 4.45
Other:			
% Real estate is of total capital	47%	45%	51%
% Cattle is of total capital	26%	28%	23%
% Expenses are of receipts	72%	63%	94%

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
24 Counties Included in General Farm Business Summary

Item	Albany County	Broome County	Cattaraugus County	Cayuga County
Number of farms	33	31	21	25
Resources:				
Number of cows	30	43	34	40
Number of heifers	20	26	21	28
Acres of hay*	65	74	52	59
Acres of corn silage*	9	15	12	17
Acres of oats*	12	13	14	26
Total crop acres	86	105	87	145
Size of business:				
Man equivalent	1.6	2.0	1.6	1.9
Total work units	440	585	465	629
Lbs. of milk sold	262,766	448,361	322,927	413,186
Rates of production:				
Lbs. milk sold/cow	8,759	10,427	9,498	10,330
Tons hay/acre	2.2	2.4	2.6	3.1
Tons corn silage/acre	12	13	12	12
Bu. oats/acre	45	50	61	52
Labor efficiency:				
Number cows/man	19	22	21	21
Work units/man	275	292	291	331
Lbs. of milk sold/man	164,229	224,180	201,829	217,466
Financial summary:				
Average capital	$40,241	$64,882	$40,421	$68,454
Total farm receipts	$17,645	$28,040	$18,698	$26,919
Total farm expenses	$12,226	$19,985	$12,965	$18,809
LABOR INCOME/operator	$ 3,123	$ 4,033	$ 3,543	$ 4,340
Cost control factors:				
Machinery investment	$ 9,491	$12,926	$10,299	$14,152
Machinery cost	$ 3,571	$ 4,441	$ 3,684	$ 5,750
Machinery cost/cow	$ 119	$ 103	$ 108	$ 144
Feed bought/cow	$ 93	$ 144	$ 110	$ 93
% feed is of milk receipts	22%	31%	26%	21%
Fertilizer/crop acre	$ 4.58	$ 7.49	$ 7.52	$ 9.40
% Expenses are of receipts	69%	71%	69%	70%
Av. price/cwt. milk	$ 4.71	$ 4.46	$ 4.36	$ 4.35

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
24 Counties Included in General Farm Business Summary

Item	Chenango County			Clinton County	Cortland County
	Group V	Group VI	Group VII		
Number of farms	12	18	15	15	20
Resources:					
Number of cows	37	43	37	32	50
Number of heifers	20	29	20	22	36
Acres of hay*	62	79	61	73	75
Acres of corn silage*	12	14	11	15	22
Acres of oats*	20	14	17	15	18
Total crop acres	93	107	90	100	126
Size of business:					
Man equivalent	1.7	1.9	2.0	1.6	2.4
Total work units	557	596	512	470	695
Lbs. of milk sold	401,614	446,155	357,071	315,867	545,550
Rates of production:					
Lbs. milk sold/cow	10,854	10,376	9,651	9,871	10,911
Tons hay/acre	2.9	3.0	2.0	2.2	3.1
Tons corn silage/acre	12	13	11	11	12
Bu. oats/acre	58	40	40	62	46
Labor efficiency:					
Number cows/man	22	23	18	20	21
Work units/man	328	314	256	294	290
Lbs. of milk sold/man	236,244	234,818	178,536	197,416	227,312
Financial summary:					
Average capital	49,674	60,764	43,786	51,937	61,831
Total farm receipts	$23,932	$26,463	$21,421	$20,274	$32,023
Total farm expenses	$16,999	$19,476	$13,984	$14,256	$22,720
LABOR INCOME/operator	$ 4,450	$ 3,949	$ 4,143	$ 3,208	$ 4,872
Cost control factors:					
Machinery investment	$ 9,659	$12,480	$ 9,089	$11,102	$11,376
Machinery cost	$ 3,877	$ 4,465	$ 3,714	$ 3,049	$ 5,127
Machinery cost/cow	$ 105	$ 104	$ 100	$ 95	$ 103
Feed bought/cow	$ 149	$ 148	$ 115	$ 147	$ 136
% feed is of milk receipts	31%	33%	28%	34%	28%
Fertilizer/crop acre	$ 7.79	$ 8.62	$ 6.97	$ 4.58	$ 9.76
% Expenses are of receipts	71%	74%	65%	70%	71%
Av. price/cwt. milk	$ 4.39	$ 4.34	$ 4.31	$ 4.29	$ 4.39

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
24 Counties Included in General Farm Business Summary

Item	Delaware County	Franklin County	Greene County	Madison County
Number of farms	42	22	36	48
Resources:				
Number of cows	38	41	30	40
Number of heifers	18	28	16	23
Acres of hay*	58	89	58	61
Acres of corn silage*	10	16	10	17
Acres of oats*	8	18	11	18
Total crop acres	69	120	72	98
Size of business:				
Man equivalent	1.7	1.9	1.6	1.9
Total work units	473	583	396	554
Lbs. of milk sold	362,965	389,999	252,135	387,262
Rates of production:				
Lbs. milk sold/cow	9,552	9,512	8,404	9,682
Tons hay/acre	2.4	2.3	2.2	2.9
Tons corn silage/acre	15	11	11	12
Bu. oats/acre	40	60	43	56
Labor efficiency:				
Number cows/man	22	22	19	21
Work units/man	287	306	248	292
Lbs. of milk sold/man	213,509	205,263	157,584	203,822
Financial summary:				
Average capital	$44,142	$50,371	$39,753	$52,766
Total farm receipts	$21,120	$21,600	$15,415	$22,709
Total farm expenses	$15,516	$15,258	$11,765	$15,850
LABOR INCOME/operator	$ 3,101	$ 3,656	$ 1,575	$ 3,787
Cost control factors:				
Machinery investment	$ 8,939	$ 9,396	$ 8,302	$11,041
Machinery cost	$ 3,590	$ 3,833	$ 3,091	$ 4,177
Machinery cost/cow	$ 94	$ 93	$ 108	$ 104
Feed bought/cow	$ 143	$ 132	$ 121	$ 105
% feed is of milk receipts	33%	33%	31%	25%
Fertilizer/crop acre	$ 10.80	$ 4.69	$ 5.50	$ 5.74
% Expenses are of receipts	73%	71%	76%	70%
Av. price/cwt. milk	$ 4.56	$ 4.25	$ 4.68	$ 4.36

*Average per farm reporting

24 Counties Included in General Farm Business Summary

Item	Monroe County	Montgomery County	Niagara County	Onondaga County	Orange County
Number of farms	16	24	18	21	14
Resources:					
Number of cows	44	40	33	36	47
Number of heifers	35	24	23	24	30
Acres of hay*	60	67	64	62	79
Acres of corn silage*	18	16	17	16	24
Acres of oats*	17	19	27	28	--
Total crop acres	152	100	164	134	116
Size of business:					
Man equivalent	2.5	2.0	2.0	2.0	2.1
Total work units	767	561	593	543	638
Lbs. of milk sold	478,667	374,787	345,071	384,281	536,198
Rates of production:					
Lbs. milk sold/cow	10,878	9,370	10,456	10,674	11,408
Tons hay/acre	2.7	2.8	3.5	3.0	2.7
Tons corn silage/acre	14	11	14	12	17
Bu. oats/acre	61	47	76	53	--
Labor efficiency:					
Number cows/man	18	20	16	18	22
Work units/man	306	281	296	272	314
Lbs. of milk sold/man	191,466	187,393	172,535	192,140	255,332
Financial summary:					
Average capital	$79,659	$60,528	$69,625	$64,617	$66,125
Total farm receipts	$34,108	$22,453	$26,597	$24,106	$33,598
Total farm expenses	$23,793	$17,039	$19,066	$16,770	$25,193
LABOR INCOME/operator	$ 5,066	$ 2,204	$ 3,472	$ 3,592	$ 5,099
Cost control factors:					
Machinery investment	$16,161	$13,989	$15,658	$13,089	$14,877
Machinery cost	$ 6,767	$ 4,714	$ 6,654	$ 5,115	$ 5,480
Machinery cost/cow	$ 154	$ 118	$ 202	$ 142	$ 117
Feed bought/cow	$ 110	$ 96	$ 98	$ 84	$ 179
% feed is of milk receipts	22%	23%	20%	18%	31%
Fertilizer/crop acre	$ 9.30	$ 4.35	$ 7.90	$ 7.10	$ 9.28
% Expenses are of receipts	70%	76%	72%	70%	75%
Av. price/cwt. milk	$ 4.68	$ 4.46	$ 4.60	$ 4.47	$ 5.15

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
24 Counties Included in General Farm Business Summary

Item	Orleans County	Oswego County	Otsego County	Saratoga County	Schoharie County
Number of farms	8	20	57	17	31
Resources:					
Number of cows	46	31	39	37	38
Number of heifers	44	25	23	30	20
Acres of hay*	50	61	71	56	67
Acres of corn silage*	18	17	16	15	11
Acres of oats*	35	13	17	17	17
Total crop acres	192	99	104	108	88
Size of business:					
Man equivalent	3.4	1.8	1.9	2.0	2.1
Total work units	986	473	519	534	515
Lbs. of milk sold	483,368	308,366	392,626	396,379	340,578
Rates of Production:					
Lbs. milk sold/cow	10,508	9,947	10,067	10,713	8,963
Tons hay/acre	4.0	2.3	2.7	2.7	2.6
Tons corn silage/acre	13	9	11	11	15
Bu. oats/acre	66	47	42	60	46
Labor efficiency:					
Number cows/man	13	17	21	18	18
Work units/man	290	263	273	267	245
Lbs. of milk sold/man	142,167	171,314	206,645	198,190	136,231
Financial summary:					
Average capital	$91,638	$42,252	$58,336	$58,742	$48,969
Total farm receipts	$43,058	$19,548	$23,584	$25,383	$21,539
Total farm expenses	$30,916	$15,006	$17,165	$17,529	$16,123
LABOR INCOME/operator	$ 6,720	$ 2,314	$ 3,120	$ 4,180	$ 2,629
Cost control factors:					
Machinery investment	$18,765	$10,288	$12,872	$11,707	$10,624
Machinery cost	$ 7,950	$ 3,542	$ 4,105	$ 4,815	$ 3,778
Machinery cost/cow	$ 173	$ 114	$ 105	$ 130	$ 99
Feed bought/cow	$ 101	$ 146	$ 126	$ 86	$ 113
% feed is of milk receipts	21%	34%	28%	17%	29%
Fertilizer/crop acre	$ 9.08	$ 4.88	$ 6.26	$ 10.30	$ 7.43
% Expenses are of receipts	72%	77%	73%	69%	75%
Av. price/cwt. milk	$ 4.66	$ 4.31	$ 4.40	$ 4.64	$ 4.41

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
24 Counties Included in General Farm Business Summary

Item	Schuyler County	Sullivan County	Washington Group II	Washington Group III
Number of farms	19	14	11	19
Resources:				
Number of cows	29	35	38	38
Number of heifers	22	18	28	24
Acres of hay*	62	60	63	73
Acres of corn silage*	13	8	19	19
Acres of oats*	20	3	13	11
Total crop acres	107	76	95	104
Size of business:				
Man equivalent	1.8	1.7	1.9	1.9
Total work units	458	452	548	539
Lbs. of milk sold	290,833	347,348	406,085	386,582
Rates of production:				
Lbs. milk sold/cow	10,029	9,924	10,686	10,173
Tons hay/acre	2.4	2.5	2.2	2.3
Tons corn silage/acre	12	13	13	10
Bu. oats/acre	46	50	43	53
Labor efficiency:				
Number cows/man	16	21	20	20
Work units/man	254	266	288	284
Lbs. of milk sold/man	161,574	204,322	213,728	203,464
Financial summary:				
Average capital	$50,874	$44,628	$53,471	$53,360
Total farm receipts	$19,939	$20,936	$26,505	$24,936
Total farm expenses	$14,306	$16,503	$19,143	$17,974
LABOR INCOME/operator	$ 2,934	$ 2,055	$ 4,298	$ 3,400
Cost control factors:				
Machinery investment	$10,461	$ 9,717	$11,599	$11,293
Machinery cost	$ 3,673	$ 3,724	$ 4,726	$ 4,219
Machinery cost/cow	$ 127	$ 106	$ 124	$ 116
Feed bought/cow	$ 114	$ 165	$ 137	$ 142
% feed is of milk receipts	26%	36%	27%	30%
Fertilizer/crop acre	$ 6.71	$ 9.08	$ 10.43	$ 7.20
% Expenses are of receipts	72%	79%	72%	72%
Av. price/cwt. milk	$ 4.38	$ 4.60	$ 4.73	$ 4.58

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
14 County Summaries Not in General Farm Business Summary*

Item	Dutchess County	Herkimer County	Jefferson County	Lewis County	Livingston County
Number of farms	30	24	33	35	16
Resources:					
Number of cows	55	45	40	38	51
Acres of hay	79	77	75	75	60
Total acres of crops	138	112	135	98	168
Size of business:					
Man equivalent	2.6	1.8	1.9	1.7	2.4
Lbs. of milk sold	572,577	425,106	375,709	374,854	563,376
Rates of production:					
Lbs. milk sold/cow	10,410	9,447	9,393	9,686	11,047
Tons hay/acre	2.3	2.4	2.4	2.3	3.9
Labor efficiency:					
Number of cows/man	21	25	21	22	21
Lbs. of milk/man	220,222	236,170	197,742	229,582	234,740
Cost control factors:					
Feed bought/cow	$ 128	$ 112	$ 86	$ 123	$ 95
% feed is of milk receipts	22%	27%	22%	29%	19%
Machinery cost/cow	$ 135	$ 95	$ 98	$ 99	$ 138
% Expenses are of receipts	76%	74%	65%	68%	69%
Financial summary:					
Average capital	$93,886	$56,364	$49,796	$47,453	$87,538
Total farm receipts	$40,539	$26,030	$22,253	$20,863	$41,835
Total farm expenses	$30,759	$19,154	$14,377	$14,140	$29,073
LABOR INCOME/operator	$ 4,238	$ 4,057	$ 5,078	$ 4,229	$ 6,388

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

SELECTED FARM BUSINESS FACTORS FOR 1961

14 County Summaries Not in General Farm Business Summary*

Item	Oneida County	Ontario County	Rensselaer County	St. Lawrence County	Schenectady County
Number of farms	64	26	26	36	10
Resources:					
Number of cows	41	42	31	41	28
Acres of hay	61	63	57	80	67
Total acres of crops	102	186	85	115	78
Size of business:					
Man equivalent	1.9	2.4	1.7	2.0	1.5
Lbs. of milk sold	430,196	489,990	283,789	424,309	285,232
Rates of production:					
Lbs. milk sold/cow	10,493	11,666	9,154	10,372	10,187
Tons hay/acre	3.0	3.4	2.6	2.4	2.2
Labor efficiency:					
Number of cows/man	22	18	18	21	19
Lbs. of milk/man	226,419	204,163	166,934	215,380	190,154
Cost control factors:					
Feed bought/cow	$ 101	$ 104	$ 85	$ 136	$ 137
% feed is of milk receipts	22%	20%	20%	31%	30%
Machinery cost/cow	$ 108	$ 164	$ 121	$ 92	$ 109
% Expenses are of receipts	69%	69%	73%	70%	80%
Financial summary:					
Average capital	$52,546	$84,744	$42,789	$47,106	$45,560
Total farm receipts	$24,442	$35,969	$18,825	$24,198	$14,089
Total farm expenses	$16,762	$24,854	$13,693	$16,896	$11,255
LABOR INCOME/operator	$ 4,370	$ 5,769	$ 2,510	$ 4,240	$ 557

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1961
14 County Summaries Not in General Farm Business Summary*

Item	Seneca County	Steuben County	Tompkins County	Wyoming County
Number of farms	22	37	29	43
Resources:				
Number of cows	34	31	38	39
Acres of hay	61	62	57	59
Total acres of crops	167	117	117	136
Size of business:				
Man equivalent	1.9	1.7	1.8	2.0
Lbs. of milk sold	360,506	307,049	416,364	416,903
Rates of production:				
Lbs. milk sold/cow	10,603	9,905	10,957	10,690
Tons hay/acre	2.5	2.9	2.8	3.6
Labor efficiency:				
Number of cows/man	18	18	21	19
Lbs. of milk/man	189,740	180,617	231,313	208,451
Cost control factors:				
Feed bought/cow	$ 90	$ 96	$ 119	$ 90
% feed is of milk receipts	20%	23%	25%	19%
Machinery cost/cow	$ 147	$ 120	$ 103	$ 151
% Expenses are of receipts	70%	70%	73%	69%
Financial summary:				
Average capital	$59,906	$44,658	$52,297	$64,918
Total farm receipts	$25,232	$19,488	$26,042	$28,686
Total farm expenses	$17,550	$13,626	$18,935	$19,784
LABOR INCOME/operator	$ 4,296	$ 3,299	$ 4,342	$ 4,504

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS SUMMARY FACTORS*
New York Dairy Farms, 1957-61

Item	1957	1958	1959	1960	1961
Number of farms	464	559	542	467	490
Resources:					
Number of cows	33	33	35	35	38
Number of heifers	20	20	22	21	23
Acres of hay**	58	59	62	64	66
Acres of corn silage**	14	14	15	15	15
Acres of oats**	18	17	18	16	17
Total crop acres	100	104	104	96	99
Size of business:					
Man equivalent	1.8	1.8	1.8	1.7	1.8
Total work units***	576	523	557	480	516
Lbs. of milk sold	293,200	310,900	327,400	333,900	378,700
Rates of production:					
Lbs. milk sold/cow	8,885	9,421	9,355	9,540	9,966
Tons hay/acre	2.1	2.3	2.0	2.3	2.6
Tons corn silage/acre	11	10	11	10	12
Bu. oats/acre	58	51	60	54	50
Labor efficiency:					
Number cows/man	18	18	19	21	21
Work units/man***	320	291	309	282	287
Lbs. of milk sold/man	162,900	172,700	181,900	196,400	210,400
Financial summary:					
Average capital	$42,012	$45,062	$47,840	$47,426	$53,722
Total farm receipts	$20,166	$21,512	$22,548	$20,075	$22,505
Total farm expenses	$13,798	$15,012	$16,255	$14,768	$16,125
LABOR INCOME/ operator	$ 3,764	$ 3,817	$ 3,489	$ 3,317	$ 3,352
Cost control factors:					
Machinery investment	$ 9,163	$ 9,636	$10,315	$10,055	$11,062
Machinery cost	$ 3,477	$ 3,611	$ 3,872	$ 3,729	$ 4,056
Machinery cost/cow	$ 105	$ 109	$ 111	$ 107	$ 107
Feed bought/cow	$ 107	$ 109	$ 113	$ 124	$ 125
Fertilizer & lime/crop acre	$ 6	$ 7	$ 7	$ 7	$ 7
% Expenses are of receipts	68%	70%	72%	71%	72%
Prices:					
Av. price/cwt. milk	$ 4.65	$ 4.68	$ 4.73	$ 4.64	$ 4.47

* The averages for 1960 and 1961 include only farms with milk as the major source of income as described on page 1. The 1957-59 averages include some farms with large sources of income other than milk.

**Average per farm reporting.

***Changes in work units for some crops and livestock made in 1958 and 1960.

PART IV SUMMARY OF THE ANALYSIS; GOALS, AND BUDGETING

SUMMARIZING THE ANALYSIS

Each page in this booklet was designed to help you study your farm business. However, study and analysis alone will not assure a more profitable business. Action must be taken.

Now take a careful overall look at your farm business. Summarize the strong and weak points revealed from the detailed analysis. This will help you to locate the trouble spots or problems. In view of what you have to work with, consider the possible ways that these problems might be solved. Next budget the likely effects of the proposed changes. Finally decide on the most promising proposal and then take action to put it into effect.

STRONG POINTS

1. _____
2. _____
3. _____
4. _____

WEAK POINTS

1. _____
2. _____
3. _____
4. _____

MAJOR PROBLEMS TO BE SOLVED

1. _____
2. _____
3. _____
4. _____

PROPOSED CHANGES TO STRENGTHEN THE BUSINESS

1. _____
2. _____
3. _____
4. _____

WHAT ARE YOU WORKING FOR?

The discussions in this report have centered around ways to make more money from your business. But you don't operate your business just for the sake of keeping busy. Every family has some things uppermost in their minds that they expect to get from their business or their job. These "objectives" or "goals" may not be easy to put into words. But if they are written down, or at least talked about, it may help you see what things need to be done in the farm business in order to accomplish these goals.

Goals for Your Farm and Family

The Farm -- List the major farm improvements you want to make in the next five years. The list should include changes in buildings, land, crops, and livestock.

The Home -- List major changes you want to make in the home in the next five years. Include remodeling, equipment, and furniture.

Family Security -- List things you want to get done relative to financial security. This list might include debt reduction, a better life insurance program, more business insurance, a will, plans for retirement.

Education -- List your objectives for educating the children.

Recreation -- List your plans for major vacations, trips, new cars, etc.

Better Working Conditions -- What do you hope to accomplish concerning the hours you work, lightening physical work, and the like?

The Community -- What do you hope to get done relative to making your community a better place to live - schools, church, roads, and so forth?

BUDGETING A CHANGE IN YOUR FARM BUSINESS

After locating the weak points in a business, the next step is to consider changes to correct the weaknesses. Budgeting can help to determine the likely results of a proposed change.

		My business in 1961	Proposed Change # 1	Proposed Change # 2
I.	Farm Receipts:	$	$	$
	Milk sales, gross			
	Livestock sales			
	Egg sales			
	Crop sales			
	Miscellaneous receipts			
	Total Cash Receipts			
	Increase in Inventory			
	Total Farm Receipts	$	$	$
II.	Farm Expenses:			
	Hired labor	$	$	$
	Dairy feed bought			
	_____ feed bought			
	Machine hire			
	Truck, tractor, machinery			
	Auto expense (farm share)			
	Gasoline and oil			
	Breeding fees			
	Veterinary and medicine			
	Other livestock, poultry exp.			
	Lime and fertilizer			
	Seeds and plants			
	Spray, other crop exp.			
	Land, building, fence exp.			
	Taxes, insurance			
	Electricity, telephone (f.s.)			
	Miscellaneous			
	Total Cash Operating Expenses			
	New machinery			
	New real estate			
	Livestock purchases			
	Unpaid family labor			
	Decrease in inventory			
	Total Farm Expenses	$	$	$
III.	Farm Financial Summary:			
	Capital Investment	$	$	$
	Total Farm Receipts	$	$	$
	Total Farm Expenses			
	Farm Income			
	Interest on Capital			
	LABOR INCOME	$	$	$